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Executive Director

**COMMUNITY DEVELOPMENT COMMISSION  
of the County of Los Angeles**

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Commissioners

July 19, 2016

The Honorable Board of Commissioners  
Community Development Commission  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT WITH ACCO ENGINEERED SYSTEMS FOR HVAC &  
THERMOSTAT REPLACEMENT SERVICES AT THE BUSINESS TECHNOLOGY CENTER  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

This letter recommends approval of a construction contract in the amount of \$280,000 with ACCO Engineered Systems (ACCO) to provide Heating, Ventilation and Air Conditioning (HVAC) & Thermostat Replacement services for the Business Technology Center (BTC) located at 2400 North Lincoln Avenue, Altadena, CA 91001.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Executive Director, or his designee, to execute, amend, and if necessary, terminate a construction contract and all related documents with ACCO, in the amount of up to \$280,000, to provide HVAC & Thermostat Replacement services at the BTC, using project funds included in the Commission's Fiscal Year 2016-2017 approved budget.
2. Authorize the Executive Director, or his designee, to amend the contract by up to \$28,000 (10%) for any unforeseen costs, and to execute any other non-monetary amendments to the contract, as needed, using the same source of funds.
3. Find that the HVAC & Thermostat Replacement system services contract is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant impact on the environment.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

2-D July 19, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to execute a contract with ACCO to provide the BTC with a new electric HVAC & Thermostat system.

### **FISCAL IMPACT/FINANCING**

There is no impact on the County General Fund.

The contract for \$280,000 will be using BTC operating funds included in the Community Development Commission's (Commission) Fiscal Year 2016-2017 approved budget. In addition, a 10% contingency of \$28,000 is being set aside for unforeseen costs, using the same funding source.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract will provide for replacement of the HVAC & Thermostat system at the BTC. The current electric HVAC & Thermostat system installed in 1999, is inefficient and ineffective in heating the facility. This subpar operation increases energy consumption which results in increased electricity costs.

In the past year not only has the utility cost per square foot risen by 4.7% but the consumption per square foot has also risen by 13%, increasing the operational cost of this system to approximately \$88,000 annually for a 40,000 square foot building.

In an effort to reduce costs and energy consumption, while creating an improved work environment for the County's business incubator clients, we began an analysis of all possible options to achieve this goal.

Due to the BTC's nonexistent gas utility and the inability to support a solar panel load on the roof, it was concluded that replacing the current outdated HVAC & Thermostat system would result in the highest energy and cost savings option for the BTC and Commission.

With the installation of this new electric HVAC & Thermostat system, the BTC will save an estimated \$31,246 per year resulting in a five (5) year savings of \$156,230. This new system will pay for itself within 7 years and is estimated to create a savings of \$468,692 during the lifespan of the equipment.

Should ACCO require additional or replacement personnel during the term of the Contract, ACCO will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) program who meet the minimum qualifications for the open positions. ACCO will contact the County's GAIN/GROW Division for a list of participants by job category.

The Commission has determined that ACCO has met the requirements of the Living Wage Program and agrees to pay living wage hourly rates to full-time employees while providing services under the Contract.

The Contract has been approved as to form by County Counsel and will be effective on July 1, 2016, subject to Board approval and execution by the Commission and ACCO.

**ENVIRONMENTAL DOCUMENTATION**

This action is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15301 because it involves activities that do not have the potential for causing a significant effect on the environment.

**CONTRACTING PROCESS**

In July 2013, the National Joint Powers Alliance (NJPA) release an Invitation For Bids (IFB) for Indefinite Quantity Construction Contracting (IQCC) for HVAC Energy Efficiency Services (C-20). This IFB was to provide IQCC services to all current and potential NJPA members in the counties of San Luis Obispo, Santa Barbara, Kern, Ventura, Los Angeles, San Bernardino, Riverside, Orange, San Diego, Imperial, Fresno, Tulare, Kings, Inyo, and Mono California.

On August 20, 2013, ACCO was awarded NJPA's Southern California HVAC Energy Efficiency Services IQCC for the geographical area of Los Angeles. ACCO's contract with NJPA for the Southern California HVAC Energy Efficiency Services IQCC is in effect until August 19, 2017.

On May 18, 2016, the Commission conducted a cooperative agreement procurement review of the solicitation (IFB) processes conducted by NJPA for the HVAC Energy Efficiency Services IQCC.

It was found that NJPA's solicitation process was in alignment with the Commission's procurement process. With all necessary paperwork in order, ACCO will be able to furnish the described HVAC & Thermostat Replacement services under a Commission construction contract. The BTC being an entity within the Commission, will be able to draw upon its existing membership with NJPA, membership ID: 119437, to receive said services.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed contract will provide the Commission and County with a business incubator HVAC system that is energy efficient, cost effective and conducive to providing a healthy work environment for the County's business clients.

Respectfully submitted,



SEAN ROGAN

Executive Director

SR:cl

Enclosures

**COMMUNITY DEVELOPMENT COMMISSION  
OF THE COUNTY OF LOS ANGELES**

**CONSTRUCTION CONTRACT**

**FOR**

**BUSINESS TECHNOLOGY CENTER (BTC) HVAC &  
THERMOSTAT REPLACEMENT**

**2400 N. LINCOLN AVENUE  
ALTADENA, CA 91001**

**BID NUMBER: N/A**

**Bid Date: N/A**

# **CONSTRUCTION CONTRACT FOR THE BUSINESS TECHNOLOGY CENTER (BTC) HVAC AND THERMOSTAT REPLACEMENT**

This CONSTRUCTION CONTRACT "Contract" is made this \_\_\_\_ day of \_\_\_\_, 2016 by and between the Community Development Commission of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "Commission" or the "Owner", and ACCO Engineered Systems, hereinafter referred to as the "Contractor".

## **RECITALS**

WITNESSETH, that the COMMISSION and the CONTRACTOR, for the consideration stated herein, mutually agree as follows:

- A. The Commission is the Owner of that certain real property, commonly known as the Business Technology Center, located at 2400 N. Lincoln Ave., Altadena, CA 91001, hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- C. Owner desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

## **TERMS AND CONDITIONS**

### **ARTICLE 1 – THE CONSTRUCTION CONTRACT**

#### **1.1 CONSTRUCTION DOCUMENTS**

The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Commission Cooperative Agreement Procurement Package
PART B	Detailed Scope Of Work
PART C	Contractor's Price Proposal-Detailed
PART D	Specifications and Drawings

ALL ADDENDA TO THE ABOVE CONTRACT DOCUMENTS.

## **ARTICLE 2 – STATEMENT OF WORK**

### **2.1 PROFESSIONAL WORKMANSHIP**

Contractor agrees to perform in a professional manner, to the satisfaction of the Commission's Executive Director and his designees, all Work described in the Contract Documents referenced in Article 1.

### **2.2 LABOR, MATERIAL, EQUIPMENT, AND SERVICES**

The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project identified as Business Technology Center (BTC) HVAC & Thermostat Replacement for the Commission.

All such Work shall be in strict accordance with the specifications made in Detailed Scope Of Work, identified as Part B, all as prepared by ACCO Engineered Systems.

### **2.3 DATA IN CONTRACT DOCUMENTS**

Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Owner does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Properties which are reasonably necessary to apprise him/herself of the condition of the Properties. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/her, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

## **ARTICLE 3 – TIME OF COMMENCEMENT AND COMPLETION**

### **3.1 COMMENCEMENT AND COMPLETION**

The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within ninety (90) calendar days following the required commencement date.

### **3.2 LIQUIDATED DAMAGES**

The Contractor and the Commission agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Commission the sum of One Thousand Dollars (\$1,000.00) as liquidated damages for each calendar day of

delay, until the Work is accepted by the Commission. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Commission may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor underpayments.

### **3.3 WITHHOLDING**

The Commission may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor underpayments.

## **ARTICLE 4 – CONTRACT SUM**

### **4.1 CONTRACT SUM**

The Owner shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **UP TO TWO-HUNDRED AND EIGHTY THOUSAND DOLLARS (\$280,000.00)**. The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the Prevailing Wage Determination published by the U.S. Department of Labor that is applicable to this contract.

### **4.2 TAXES**

The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

### **4.3 ESCALATION**

The Contract Sum is not subject to escalation, the Contractor having satisfied him/herself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.

### **4.4 FISCAL OBLIGATION AND NON-APPROPRIATION NOTICE**

The Owner's obligation is payable only and solely from funds appropriated from the Business Technology Center's revenue and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.

In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Owner will endeavor to notify the Contractor in writing within ten (10) days of receipt of the non-appropriation notice.

## **ARTICLE 5 – PROGRESS PAYMENTS**

### **5.1 PROGRESS PAYMENTS**

Based upon applications for payment submitted by the Contractor to the Owner, and after approval by the Economic And Housing Development Division, the Owner shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Fee Schedule.

### **5.2 PAYMENT TIMEFRAME**

Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Owner on or before the first working day of the month. Payment shall be subject to all provisions of the Instructions to Bidders incorporated by reference into the Contract.

### **5.3 LABOR COMPLIANCE**

The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Commission before the start of construction. The Contractor shall submit to the Commission all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Commission all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this Contract and entitles the Commission to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the Contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this Contract which may result in the Commission terminating the Contract for default.

## **ARTICLE 6 PROJECT CLOSEOUT**

### **6.1 NOTICE OF COMPLETION**

Prior to occupancy of any dwelling unit, building, or other portion of the project, the Owner shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Owner shall cause the Notice of Completion to be recorded with the County Recorder.



## **6.2 FINAL PAYMENT**

Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Owner pursuant to all provisions of the Instructions to Bidders, less any amounts which Owner is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor underpayments, and less the ten percent (10%) retention withheld, pursuant to all provisions of the Instructions to Bidders.

## **6.3 CERTIFICATE OF COMPLETION, GUARANTIES AND WARRANTIES, WAIVER AND LIEN RELEASES AND INSPECTOR VERIFICATION**

In addition to all other requirements, a Notice of Completion shall be issued only when Owner has received the following:

- A. A Certificate of Completion, executed by Owner.
- B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
- C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all subcontractors, and the Contractor's Certificate and Release.
- D. Verification from the Architect that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Owner may remove such items, and the Contractor shall pay the Owner for all costs incurred in connection with such removal.

## **6.4 SETTLEMENT OF ALL CLAIMS, DISPUTES, FINAL ACCEPTANCE NOTIFICATION AND RETENTION RELEASE**

After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Owner shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which the Owner is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

## **6.5 OWNERSHIP UPON PROJECT COMPLETION**

All materials shall become the property of the Commission upon completion of the work and final inspection by the Commission. General maintenance and their replacement beyond expiration of manufacturer's warranty shall be the responsibility of the Owner.

## **ARTICLE 7 – BREACH AND TERMINATION**

### **7.1 WAIVER**

Waiver by the Owner of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective Work or improper materials.

#### **7.1.1. BREACH OF CONTRACT TERMS**

Any violation or breach of terms of this contract on the part of the Contractor or its Subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

### **7.2 TERMINATION**

In addition to any right of termination reserved to the Commission by all the Contract Documents, the Commission may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with documents referenced in Article 1, or otherwise substantially violates any provision of the Contract Documents.

### **7.3 WRITTEN NOTICE PRIOR TO TERMINATION**

The Owner shall give the Contractor and his/her surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to all provisions of the Instructions to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Owner may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor

shall not be entitled to receive any further payment under this Construction Contract.

**7.4 WAIVING OF COMMISSION'S OTHER RIGHTS AND REMEDIES**

The Commission shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.

**7.5 TERMINATION FOR CAUSE**

This Contract may be terminated by the Commission upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and Work items) with no penalties upon termination or upon the occurrence of any of the following events:

- A. Continuing failure of the Contractor to perform any Work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Commission within the time specified in such notices, the Commission shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
- B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Commission may immediately terminate this Contract.
- C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the Work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
- E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Commission shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such

termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Commission become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

**7.6 TERMINATION FOR IMPROPER CONSIDERATION**

The Commission may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Commission officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Commission officer or employee to solicit such improper consideration. The Report shall be made to the Commission's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

**7.7 TERMINATION FOR CONVENIENCE**

The Commission reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in such termination.

**7.8 COMMISSION'S QUALITY ASSURANCE PLAN**

The Commission will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Commission determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and the Contractor. If improvement does not occur consistent with the corrective action measures, the Commission may terminate this Contract or pursue other penalties as specified in this Contract.

**7.9 NON-PAYMENT AFTER EXPIRATION OR TERMINATION**

Contractor shall have no claim against the Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Commission and shall immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the Commission's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

**ARTICLE 8 – MISCELLANEOUS PROVISIONS**

**8.1 COMPLIANCE WITH GOVERNMENT REQUIREMENTS**

Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in writing to the Owner of such variance.

**8.2 SEVERANCE**

It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.

**8.3 INFORMATION IN DRAWINGS AND SPECIFICATIONS**

Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

**8.4 SITE ACCESS**

The contractor will make every attempt to keep the owner informed about the overall project schedule so that disruption in the Owner's routine will be kept to a minimum. The Contractor agrees to contact the Owner twenty-four (24) hours in

advance to set up appointments necessary to complete the Work. The hours of the property are 8:00 A.M. to 5:00 P.M.

## **ARTICLE 9 – CONTRACTOR APPROVAL**

### **9.1 CONTRACTOR’S WARRANTY OF ADHERENCE TO COMMISSION’S CHILD SUPPORT COMPLIANCE PROGRAM**

Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract, are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by the Commission's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department (CSSD) Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

### **9.2 Contractor’s Adherence to the Child Support Compliance Program**

Contractor shall: 1) fully comply with all applicable State and Federal reporting requirements relating to employment reporting for its employees; and, 2) comply with all lawfully served Wage and Earnings Assignment Orders and Notice of Assignment and continue to maintain compliance during the term of any contract that may be awarded pursuant to this solicitation. Failure to comply may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contractor.

### **9.3 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COMMISSION’S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.2, "Contractor's Warranty of Adherence to County's Child Support Compliance Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the Commission may terminate this Contract pursuant to Paragraphs under 7.5- "Termination for Cause" and pursue debarment of Contractor, pursuant to Commission Policy.

**9.4 POST L.A.'S MOST WANTED PARENTS LIST**

Contractor acknowledges that the Commission places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Commission's policy to encourage the Commission contractors to voluntarily post the Commission's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

**ARTICLE 10-ADDITIONAL PROVISIONS**

- 10.1** This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.
- 10.2** This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.
- 10.3** No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
- 10.4** Without limiting Contractor's duties to indemnify and defend as provided in this Contract, Contractor shall procure and maintain, at Contractor's sole expense for the duration of this Contract or otherwise set forth herein, the insurance policies described herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be approved by the California Department of Insurance and must be included on the California Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A: VIII in Best's Insurance Guide. Contractor shall, concurrent with the execution of this Contract, deliver to the Commission certificates of insurance with original endorsements evidencing the insurance coverage required by this Contract. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this Contract, but no later than thirty (30) days following execution of this Contract. The certificates and endorsements shall be signed by a person authorized by the insurers to bind

coverage on its behalf. Contractor shall provide Commission with certificates of insurance and applicable endorsements each year during the term of this Contract to evidence its annual compliance with the insurance requirements set forth herein. The Commission reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Commission and may provide for such deductibles as may be acceptable to the Commission. Any self-insurance program and self-insured retention must be separately approved by the Commission. In the event such insurance does provide for deductibles or self-insurance, Contractor agrees that it will defend, indemnify and hold harmless the Commission, its elected and appointed officers, officials, representatives, employees, and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each policy shall be endorsed to stipulate that the Commission be given at least thirty (30) days' written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. Contractor shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. Contractor represents and warrants that the insurance coverage required herein will also be provided by any entities with which Contractor contracts, as detailed below. All certificates of insurance and additional insured endorsements shall carry the following identifier:

Business Technology Center HVAC & Thermostat Replacement  
2400 N. Lincoln Ave., Altadena, CA 91001

The insurance policies set forth herein shall be primary insurance with respect to the Commission. The insurance policies shall contain a waiver of subrogation for the benefit of the Commission. Failure on the part of Contractor, and/or any entities with which Contractor contracts, to procure or maintain the insurance coverage required herein may, upon the Commission's sole discretion, constitute a material breach of this Contract pursuant to which the Commission may immediately terminate this Contract and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Contractor to the Commission upon demand including interest thereon at the default rate. In the event of such a breach, the Commission shall have the right, at its sole election, to participate in and control any insurance claim, adjustment, or dispute with the insurance carrier. Contractor's failure to assert or delay in asserting any claim shall not diminish or impair the Commission's rights against the Contractor or the insurance carrier.

When Contractor, or any entity with which Contractor contracts, is naming the Commission as an additional insured on the general liability insurance policy set forth below, then the additional insured endorsement shall contain language similar



to the language contained in ISO form CG 20 10 11 85. In addition, the Contractor must also state on the endorsement that coverage includes Completed Operations and is on a primary and non-contributory basis. In the alternative and in Commission's sole and absolute discretion, it may accept both CG 20 10 10 01 and CG 20 37 10 01 in place of CG 20 10 11 85. The following insurance policies shall be maintained by Contractor and any entity with which Contractor contracts for the duration of this Contract, unless otherwise set forth herein:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) including coverage for bodily injury, personal injury, property damage, and contractual liability with limits of not less than the following:

General Aggregate .....	\$2,000,000
Products/Completed Operations Aggregate .....	\$2,000,000
Personal and Advertising Injury .....	\$1,000,000
Each Occurrence .....	\$1,000,000

The Commission, Housing Authority, County, and each of their elected and appointed officers, officials, representatives, employees, and agents (hereinafter collectively referred to as the "Public Agencies and their Agents"), shall be named as additional insureds for the Contractor's work on such policy.

- B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto." The Public Agencies and their Agents shall be covered as additional insureds on such policy.

- C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California. This must include a waiver of subrogation in favor of the Public Agencies and their Agents. In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident.....	\$1,000,000
Disease-policy limit .....	\$1,000,000
Disease-each employee.....	\$1,000,000

Contractor must provide a waiver of subrogation with evidence of Worker's Compensation coverage.

Contractor agrees that it will require that all of the above mentioned insurance requirements be incorporated in its contract with any entity with which it contracts in relation to this Contract or in relation to the Work, Property or project that is the subject of this Contract.

## **10.5 COMPLIANCE WITH LAWS**

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

### Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

### Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

### Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

### Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or

termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Commission's contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his/her books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### State Prevailing Wage Requirements

This construction project is funded in whole with State funds. The Contractor shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations, Division of Labor Statistics. These rates can be obtained on the website at [www.dir.ca.gov](http://www.dir.ca.gov), or by contacting the Community Development Commission, Construction Management Division, Labor Compliance Unit for prevailing wage rates on file. See Part A, documents referenced, Section "Instructions to Bidders and General Conditions for Construction Contract," of this Contract.

#### Consideration of GAIN/GROW Participants for Employment

Should the Contractor require additional or replacement personnel after the effective date of this Agreement,, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. The Contractor shall contact the County's GAIN/GROW Division at (626) 927-5354 for a list of GAIN/GROW participants by job category.

### **10.6 ACCESS AND RETENTION OF RECORDS**

The Contractor shall provide access to the Commission, the Federal grantor agency, the Controller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audits, examinations, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five (5) years after the Commission pays final payment and other pending matters are closed.

### **10.7 CONFLICT OF INTEREST**

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Commission. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Commission, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict

of interest between the Commission's interest and the interests of the third parties.

## **10.8 INDEMNIFICATION**

- A. In the event that Contractor is not providing professional services, Contractor agrees to indemnify, defend and hold harmless the Commission, and their elected and appointed officials, officers, representatives, employees, and agents (hereinafter collectively referred to as "Agents"), from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorney's fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise out of, pertain to, or relate to this Agreement, the services, work, and/or materials provided pursuant to this Agreement, the Property, or Project. Contractor shall not be required to indemnify, defend, and hold harmless the Commission and its Agents from any Liabilities that arise from the active negligence, sole negligence or willful misconduct of the Commission, Commission's agents, servants, or independent contractors who are directly responsible to the Commission. Such indemnification language shall also be incorporated in Contractor's contracts with any subcontractors in favor of the Commission.
- B. In the event that Contractor is providing professional services, Contractor agrees to indemnify, defend and hold harmless the Commission and their Agents from and against any and all Liabilities that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor. Such indemnification language, in favor of the Commission, shall also be incorporated in Contractor's contracts with any design professionals in favor of the Commission.
- C. These indemnification provisions shall remain in full force and effect and survive the termination and/or expiration of this Agreement. Contractor agrees to require any entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of the Commission, as applicable to each of them.
- D. The Commission reserves the right, at its sole and absolute discretion, to amend at any time the insurance and indemnity provisions contained herein.
- E. Contractor shall assume all risks and bear all cost for loss of, damage to, or missing or stolen equipment, tools, vehicles, and materials owned, hired, leased, or used by the Contractor for this Project.

#### **10.9 SUBCONTRACTING**

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Commission.

#### **10.10 ASSIGNMENT**

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

#### **10.11 CONFIDENTIALITY OF REPORTS**

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission.

#### **10.12 SEVERABILITY**

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed

severable from the remainder of the Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

**10.13 SAFETY STANDARDS AND ACCIDENT PREVENTION**

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his/her own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

**10.14 DRUG FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA**

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

**10.15 COPYRIGHT**

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Commission and the Commission holds all the rights to said data.

**10.16 INDEPENDENT CONTRACTOR**

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Commission, or under Commission supervision or control. This Contract is by and between the Contractor and the Commission, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Commission and the Contractor.

**10.17 WAIVER**

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

**10.18 NOTICES**

The Commission shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Commission has actual knowledge of such injury or damage. The Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Owner:  
Community Development Commission  
Cordé Carrillo, Contracting Officer  
700 W. Main Street  
Alhambra, CA 91801

Contractor:  
Andy Lufkin  
Project Manager  
6265 San Fernando Road  
Glendale, CA 91201-2214

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Commission and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

**10.19 INTERPRETATION**

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

**10.20 EMPLOYEES OF CONTRACTOR**

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Commission pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injury arising from an accident connected with services provided to the Commission under this Contract.

Professional Conduct: The Commission does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Commission will properly investigate all charges of harassment by residents, employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

**10.21 PATENT RIGHTS**

The Commission will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under, this Contract.

**10.22 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Attachment A, Internal Revenue Service Notice 1015.



#### **10.23 USE OF RECYCLED-CONTENT PAPER PRODUCTS**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

#### **10.24 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

A responsible Contractor is a contractor, consultant, vendor or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

- A. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Commission contracts for a specified period of time, which generally will not to exceed three years but may exceed three years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Commission.
- B. The Commission may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County or a nonprofit corporation created by the Commission, Housing Authority, or County, (2) committed an act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County, any other public entity, a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.
- C. If there is evidence that the Contractor may be subject to debarment, the Commission will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- D. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether

the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing board, the Contractor may be deemed to have waived all rights to appeal.

- E. A record of the hearing, the proposed decision and any other recommendation of the Contractor hearing Board shall be presented to the Board of Commissioner. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

These terms shall also apply to subcontractors and subconsultants of the Commission Contractors.

#### **10.25 COMPLIANCE WITH JURY SERVICE PROGRAM**

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Commission or a subcontract with a Commission contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Commission contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Commission, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Commission under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Commission if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Commission may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Commission's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Section of the Contract may constitute a material breach of the Contract. In the event of such material breach, the Commission may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future Commission contracts for a period of time consistent with the seriousness of the breach.

**10.26 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheets are set forth in Attachment B of this Contract and are also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**10.27 CONTRACTOR'S ACKNOWLEDGMENT OF COMMISSION'S COMMITMENT TO SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Commission's policy to encourage all Commission contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

**10.28 CONTRACTOR'S CHARITABLE CONTRIBUTIONS COMPLIANCE**

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions

Certification as included in Part C of the Contract Documents, the Authority seeks to ensure that all Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

**10.29 CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

The Contractor acknowledges that the County of Los Angeles (County) has established a goal of ensuring that all individuals and businesses that benefit financially from the County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Contractor qualifies for an exemption or exclusion, the Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program pursuant to Los Angeles County Code, Chapter 2.206.

**10.30 TERMINATION FOR BREACH OF WARRANTY OF TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 10.29, "Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Contractor to cure such default within 10 days of notice shall be grounds upon which the Commission may terminate this contract and/or pursue debarment of the Contractor, pursuant to County's Defaulted Property Tax Reduction Program, to Los Angeles County Code, Chapter 2.206.

**10.31 INTENTIONALLY LEFT BLANK**

**10.32 ENTIRE CONTRACT**

This Contract with attachments constitutes the entire understanding and agreement of the parties.

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IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract through their duly authorized officers this \_\_\_\_ day of \_\_\_\_\_, 2016.

OWNER

COMMUNITY DEVELOPMENT  
COMMISSION OF THE COUNTY OF  
LOS ANGELES, A BODY  
CORPORATE AND POLITIC

By: \_\_\_\_\_

SEAN ROGAN

Title: EXECUTIVE DIRECTOR

Date: \_\_\_\_\_

CONTRACTOR

ACCO ENGINEERED SYSTEMS

License Number: 120696

By: \_\_\_\_\_

ANDY LUFKIN

Title: PROJECT MANAGER

Date: \_\_\_\_\_

APPROVED AS TO PROGRAM:

\_\_\_\_\_  
CORDE CARRILLO

Title: Director, Economic And  
Housing Development Division

Date: \_\_\_\_\_

APPROVED AS TO FORM  
Office of County Counsel,  
BEHNAZ TASHAKORIAN,  
County Counsel

By: \_\_\_\_\_

County Counsel

BUSINESS ADDRESS

\_\_\_\_\_  
6265 San Fernando Road

\_\_\_\_\_  
Glendale, CA 91201-2214

\_\_\_\_\_  
Telephone: (818) 291-6521

\_\_\_\_\_  
Fax: (818) 548-4402



Department of the Treasury  
Internal Revenue Service

## Notice 1015

(Rev. December 2009)

### Have You Told Your Employees About the Earned Income Credit (EIC)?

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#### What Is the EIC?

The EIC is a refundable tax credit for certain workers.

#### Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

**Note.** You are encouraged to notify each employee whose wages for 2009 are less than \$48,279 that he or she may be eligible for the EIC.

#### How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2010.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at [www.irs.gov](http://www.irs.gov) or by calling 1-800-829-3676.

#### How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

#### How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2009 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2009 and owes no tax but is eligible for a credit of \$829, he or she must file a 2009 tax return to get the \$829 refund.

#### How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2010 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

# *Safely* Surrendered



No shame. No blame. No names.

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# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.





# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

**Sin pena. Sin culpa. Sin nombres.**

**En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723**

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# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.





## ATTACHMENT C

# BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

## RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

### 1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

### 2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

**The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations.**